



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov/>



IN REPLY REFER TO:
UTU-73336 (LMU)
UTU-84285, ML-48258
(UT-923)

SEP 17 2008

Certified Mail-Return Receipt Requested 7007 3020 0000 4147 6267

Mr. Kenneth S. Fleck
Manager of Geology and Environmental Affairs
Energy West Mining Company
P. O. Box 310
15 No. Main Street
Huntington, UT 84528

RE: Minor Modification to Resource Recovery and Protection Plan (R2P2), Revised
extraction plan UTU-84285, Deer Creek Mine

Dear Mr. Fleck:

Background: On August 13, 2008, the Bureau of Land Management (BLM) received a written request for an R2P2 modification involving the Deer Creek Mine for a change in coal reserve status for Federal lease UTU-84285. This change in reserve numbers coincides with a Plan of Operations change submitted to SITLA on November 26, 2007, in which changes to the Plan of Operations were specified for the Mill Fork Lease ML-48258. The change in status of the continuous miner section coal on the adjacent federal lease was inadvertently left off the original mine plan change dated 11/26/07. The change of reserves in the federal lease was addressed in the January 23, 2008 letter to SITLA which amended the Plan of Operations change order of 11/26/07, but reserves shown in the table were not split up by lease.

Affected Leases & LMUs: The Federal coal lease affected by this action is UTU-84285 and the SITLA (state) lease is ML-48258. The Logical Mining Unit (LMU) affected by this action is UTU-73336.

Proposal: The Plan of Operations change order 2007-001 relocated the setup face for the 2nd Left longwall panel from cross cut XC-68 eastward to XC-65 (as shown on the attached mine map). Continuous mining operations were unable to make adequate progress in the split coal conditions that exist to the west of XC-68. The rock split present in the middle of the Blind Canyon seam first encountered just inby XC-68 was 2.5 - 3 feet of very hard siltstone. The trend of this split indicated that most of the bleeder entries as projected (on the federal lease) would have been in this split area. As a result, the bleeder entries that would have been on the federal lease UTU-84285 were relocated into state lease ML-48258. Relocating these bleeder entries for

RECEIVED

SEP 22 2008

DIV. OF OIL, GAS & MINING

the 2nd Left longwall panel out of the federal lease UTU-84285 decreased the Plan of Operations recoverable tonnage in the Blind Canyon seam in UTU-84285 by approximately 14,813 tons.

Inspection: The mine was inspected on October 26, 2007, November 21, 2007 and December 19, 2007. The November 21, 2007 inspection revealed the massive nature of the rock split and a call was placed to the BLM State Office and SITLA Office to authorize a mine plan change. Verbal approval was granted and subsequently the Plan of Operations was modified.

Approval: The BLM approves the subject R2P2 modification. This and other forthcoming modifications enable Deer Creek to continue to maximize coal production in the Blind Canyon seam. A copy of the approved mine map is included.

Maximum Economic Recovery (MER): Maximum Economic Recovery (MER) of coal on the subject leases will be achieved by longwall mining. This R2P2 modification approval allows a slight decrease in coal recovery. This decrease comes from the shortening of 2nd Left longwall panel by moving the bleeder entries from where they were projected in the Federal Lease into the Mill Fork lease.

Recoverable Reserve Bases: The updated recoverable coal reserve bases of Federal coal lease UTU-84285 and SITLA coal lease ML-48258 are shown in the enclosed chart. The recoverable reserve base of Deer Creek's LMU (UTU-73336) will be reported in an upcoming LMU modification pending further analysis by the company and BLM.

National Environmental Policy Act (NEPA): This approval of a minor modification to an approved R2P2 of an existing underground coal mine is Categorically Excluded from NEPA analysis, as explained in the Department Manual (5 DM Part 516 11.5 (F) (8)).

Other Legal Compliances: The BLM has determined that this modification complies with the Mineral Leasing Act of 1920, as amended, the regulations at 43CFR 3480, and the lease terms and conditions. If you have any questions, please contact Steve Rigby of the Price Field Office at (435) 636-3604.

Sincerely,

JAMES F KOHLER

James F. Kohler
Chief, Solid Minerals

Enclosures:

- 1) Approved Mine Map
- 2) Recoverable Coal Reserve Base Table

cc: UT-070, Price Field Office (w/ Enclosures 1 - 2)
Utah Division of Oil Gas and Mining (w/ Enclosures 1)
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84414-5801

Mill Fork Area
Mill Fork State Lease ML-48258/Federal Lease UTU-84285
Recoverable Reserve Base

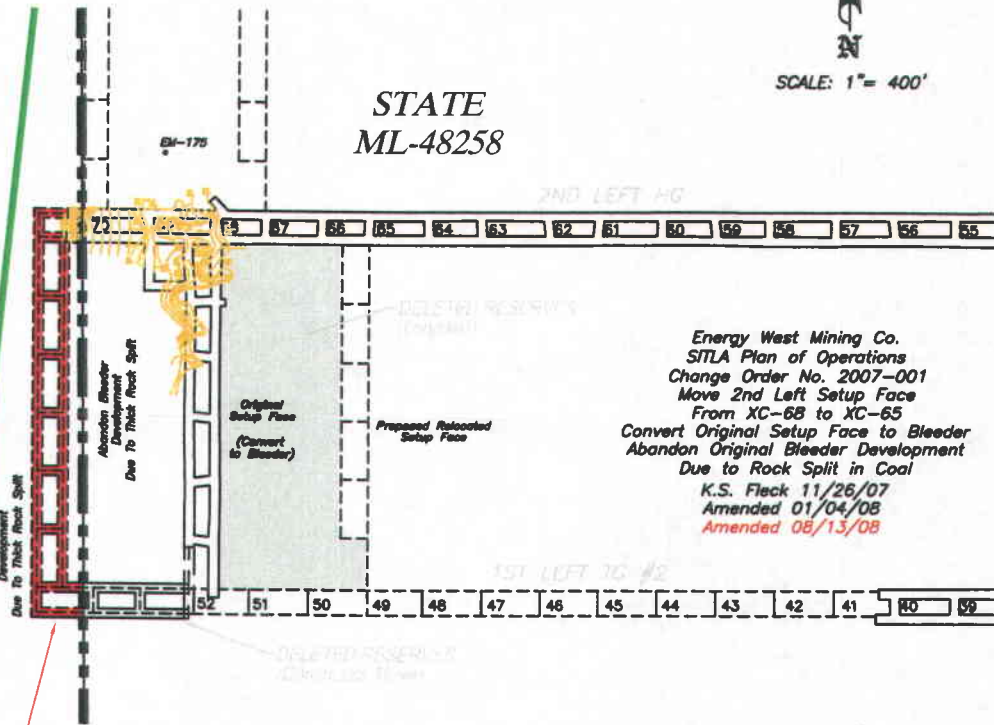
	Blind Canyon Seam (tons)	Hiawatha Seam (tons)	Total (tons)
Recoverable Reserves ML-48258	17,251,016	23,716,623	40,967,639
Recoverable Reserves U-84285	87,065	245,711	332,776
Original Recoverable Reserves (from Plan of Operations Approved September 5, 2007) - Both leases	17,338,081	23,962,334	41,300,415
Produced Coal 12/3/03 - 7/31/07 ML-48528	239,824	8,601,992	8,841,816
Produced Coal 12/3/03 - 7/31/07 UTU-84285	0	82,257	82,257
Produced Coal 12/3/03 - 7/31/07 Both Leases	239,824	8,684,249	8,924,073
Total Recoverable Reserves - Both Leases	17,577,905	32,646,583	50,224,488
Change No. 2007-001 (11/26/07) Amended ML-48528	(82,959)	0	(82,959)
Change No. 2007-001 (11/26/07) Amended UTU-84285	(14,813)	0	(14,813)
Change No. 2008-001 (01/21/08) ML-48528	0	(76,697)	(76,697)
Change No. 2008-003 (5/7/08) ML-48528	(58,938)	0	(58,938)
Modified Recoverable Reserves ML-48528	17,348,943	32,318,615	49,667,558
Modified Recoverable Reserves UTU-84285	72,252	163,454	235,706
Modified Recoverable Reserves Both Leases	17,421,195	32,482,069	49,903,264
Remaining Recoverable Reserves ML-48528	17,109,119	23,639,926	40,749,045
Remaining Recoverable Reserves UTU-84285	72,252	245,711	317,963
Remaining Recoverable Reserves Both Leases	17,181,371	23,885,637	41,067,008

UTU-84285

STATE
ML-48258

SCALE: 1" = 400'

Joes Valley Fault - Surface Projection



Energy West Mining Co.
SITLA Plan of Operations
Change Order No. 2007-001
Move 2nd Left Setup Face
From XC-68 to XC-65
Convert Original Setup Face to Bleeder
Abandon Original Bleeder Development
Due to Rock Split in Coal
K.S. Fleck 11/26/07
Amended 01/04/08
Amended 08/13/08

DELETED RESERVES - 14,813 Tons
FEDERAL LEASE UTU-84285
(Continuous Miner)

MINING PLAN APPROVED BY
BUREAU OF LAND MANAGEMENT

Recommended By:

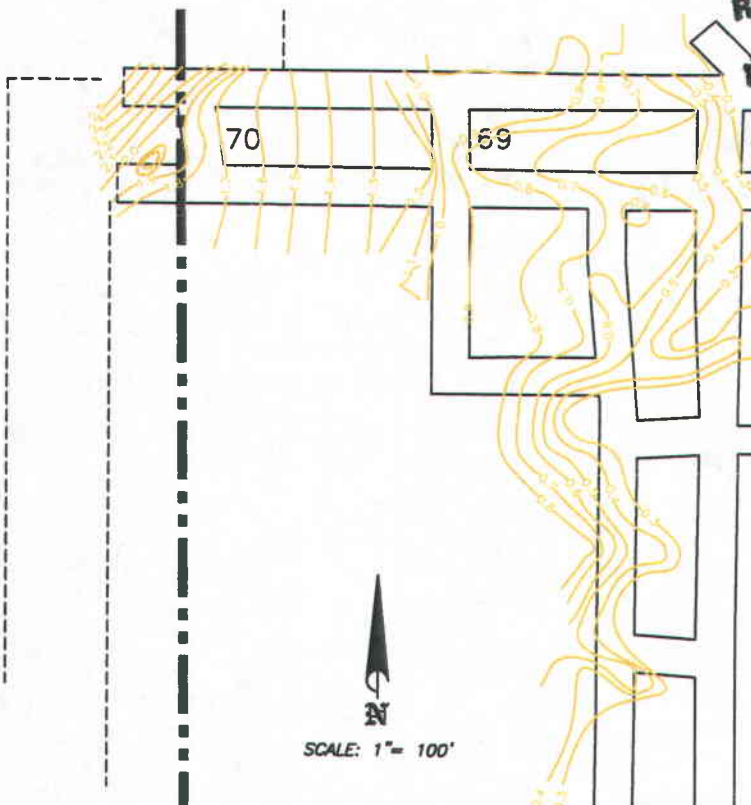
Mining Engineer

(Date)

Approved By:

Manager

(Date)



Split Thickness Contours

SCALE: 1" = 100'



OLD FILE NAME/PATH: CHANGE ORDER 2007-001.DWG

ENERGY WEST MINING COMPANY A SUBSIDIARY OF PACIFICORP	
DEER CREEK MINE Plan of Operations (Amended) CHANGE ORDER NO. 2007-001	
DRAWN BY: K.S. Fleck SCALE: AS NOTED DATE: August 13, 2008	FIGURE 1 SHEET 1 OF 1 REV. 1